

## **Establishing a Screen to Remove and Avoid Investments in Illegal Settlements on Occupied Land**

An occupying power in a foreign territory is prohibited from moving its own population onto land that is occupied (Article 49, Geneva Convention IV.) Communities created by such action and established by an occupying power on occupied land are commonly referred to as “illegal settlements.”

A business operating in an illegal settlement pays taxes to the settlement and the occupying power strengthening its economic base, taking advantage of land unlawfully seized from others, and complicit in the occupying power’s violations of human rights and international law.

Companies operating in illegal settlements often exploit resources in the occupied territories by mining, diverting water and polluting agricultural land. The Hague Conventions of 1907 and the Fourth Geneva Convention clearly forbid exploitation of the natural resources of an occupied people.

The United Methodist General Conference 2012 encouraged companies “to honor and promote human rights and the dignity of human life consistent with the 10 principles of the United Nations Global Compact” (<http://www.umc.org/what-we-believe/investment-ethics>.) Further, the United Methodist Book of Discipline discourages investment in companies “that directly or indirectly support the violation of human rights” (§ 717, The Book of Discipline 2012.) Our United Methodist Social Principles declare, “We denounce as immoral an ordering of life that perpetuates injustice and impedes the pursuit of peace.” (*UMC Social Principles*, “The World Community.”) The presence of illegal settlements on occupied land perpetuates injustice and impedes the pursuit of peace.

The United Methodist General Board of Pension and Health Benefits is a founding signatory of the *Principles for Responsible Investment*, through which signatories agree to consider environmental and social, as well as governance issues in investment decisions. ([www.unpri.org](http://www.unpri.org).)

The General Conference directs General Boards and Agencies of The United Methodist Church to develop and apply a screen that excludes investment in companies with involvement in illegal settlements by:

1. Having a physical presence or a subsidiary in an illegal settlement,
2. Providing support services to an illegal settlement,
3. Contributing to the financing or building of illegal settlements; or
4. Manufacturing products in or extracting resources from occupied land.

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